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## ARIZONA CORPORATION COMMISSION

September 10, 2004

President Michael R. Peevey Commissioner Carl Wood Commissioner Geoffrey F. Brown Commissioner Loretta M. Lynch Commissioner Susan P. Kennedy California Public Utilities Commission 505 Van Ness Avenue San Francisco, California 94102-3298

In Re: Application No. A.02-05-046, In the Matter of the Application of Southern California Edison Company (U 338 E) Regarding the Future Disposition of the Mohave Generating Station

## Dear Commissioners:

I write today in regard to the Southern California Edison Company ("SCE") Application that will determine the disposition of the Mohave Generating Station ("MGS"). It is my opinion that the citizens of Arizona are affected by your decision in the aforementioned matter.

Understanding that there are serious concerns about the environmental impact of MGS, I strongly urge you to consider all aspects of the Application so that SCE might be allowed to retrofit MGS and continue to operate the plant. As you are aware, the very real possibility exists that Arizona will experience a shortage of natural gas supply in the near future. The Arizona Corporation Commission has spent countless hours addressing this issue and I believe we are on the right track. With that in mind, it is essential that we all (California and Arizona) support electricity generated by technologies and resources that extend beyond natural gas and nuclear in order to address the undeniable need to facilitate different types of generation throughout the West.

Further, there are Arizona economic issues that I would appreciate your Commission seriously considering in reviewing this Application. Some of the workers at the plant are Arizona residents and all of the employees at the coal mines are Arizonans. The Hopi Nation, which provides the coal for MGS, relies on the income from the sale of the coal for more than 30% of its budget. The economic impact on Arizona is demonstrable and should not be discounted.

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As a fellow regulator, I understand the many factors that go into making a decision. I also comprehend the difficult nature of the decision that faces you in this matter. It is with this in mind that I ask you to consider the issues I have presented above and thank you in advance for doing so.

Sincerely,

Kris Mayes Commissioner

cc: Chairman Marc Spitzer

Commissioner William Mundell Commissioner Mike Gleason Commissioner Jeff Hatch-Miller

Brian McNeil Ernest Johnson